

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE: 1-21-2011

LEASE No. GS-09B-02658

THIS LEASE, made and entered into this date between Westwood Terrace, LLC

whose address is: 3424 Wilshire Blvd., Suite 1200
Los Angeles, CA 90010

and whose interest in the property hereinafter described is that of OWNER, hereinafter called the LESSOR, and the UNITED STATES OF AMERICA, hereinafter called the GOVERNMENT:

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:
3,564 rentable square feet (r.s.f.), yielding approximately 3,075 ANSI/BOMA Office Area square feet and related space located on the fourth floor at Westwood Terrace, 1640 S. Sepulveda Blvd., Los Angeles, CA 90025, together with 10 unreserved parking spaces, to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.
2. PARAGRAPH 2 IS INTENTIONALLY OMITTED.
3. PARAGRAPH 3 IS INTENTIONALLY OMITTED.
4. The Government may terminate this lease in whole or in part effective at any time after the 5th year of this lease by giving at least 30 days prior notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.
5. PARAGRAPH 5 IS INTENTIONALLY OMITTED.

CONTINUED ON ATTACHED PAGE.

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:
- A. The 10 unreserved parking space(s) described in Paragraph 1 and parking spaces required by local code.
 - B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease and the Government's final construction drawings. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the SFO. All costs associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers 8C2844 and its attachments.
 - C. Adequate space for telecommunications antennae and transmission devises in accordance with Paragraph entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.
7. The following are attached and made a part hereof:
- All terms, conditions, and obligations of the Lessor and the Government as set forth in the following:
- a) The Solicitation For Offers Number 8CA2844 (pages 1-46) (all references to SFO shall also refer to any Amendments);
 - b) Amendment Number 1 (page 1)
 - c) Amendment Number 2 (page 1)
 - d) Amendment Number 3 (pages 1-4)
 - e) GSA Form 3517B (pages 1-33);
 - f) GSA Form 3518 (pages 1-7);
 - g) Site Plan (page 1)
8. The following changes were made in this lease prior to its execution:
- Paragraphs 2, 3, and 5 of this STANDARD FORM 2 were deleted in their entirety. Paragraphs 9 through 18 have been added.

CONTINUED ON ATTACHED SHEET NUMBER 1.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR: Westwood Terrace, LLC

BY

(Signature)

(Signature)

IN PRESENCE OF:

(Signature)

(Address)

UNITED STATES OF AMERICA: **GENERAL SERVICES ADMINISTRATION, Public Buildings Service:**

BY

Contracting Officer, GSA

SHEET NUMBER 1 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-09B-02658

9. TO HAVE AND TO HOLD the Premises with their appurtenances for the term beginning on the day the space is accepted by the Government as complete and ready for occupancy through the following 10 year; 5 year firm term in accordance with the Paragraph entitled "Acceptance of Space" herein, subject to termination rights as may be hereinafter set forth.

10. The Government shall pay the Lessor annual rent as follows:

Years 1-5: Annual rent of \$115,437.96 at the rate of \$9,619.83 per month in arrears.

Years 6-10: Annual rent of \$130,442.40 at the rate of \$10,870.20 per month in arrears.

*Tenant Improvement amount is to be amortized into the rent and shall be memorialized through a subsequent SLA.

Rent for a lesser period shall be prorated. Rent checks shall be payable to:

Westwood Terrace, LLC
C/O Jamison Services, INC
6380 Wilshire Blvd., Suite 200
Los Angeles, CA 90048-5003

11. **OPERATING COST:** Pursuant to Paragraph 4.2, "Operating Cost", the base rate for purposes of operating cost escalation is established at \$4.67 per rentable square foot per annum.

12. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.3, "Adjustment for Vacant Premises", in the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$4.67 per rentable square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 4.3, "Operating Costs."

13. **OVERTIME USAGE:** Pursuant to Paragraph 4.5, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours (6:00 a.m. – 6:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours"), at a rate of \$60.00 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours. The Lessor must submit a proper invoice quarterly to GSA Building Manager or designee located at 11000 Wilshire Blvd., Room 7100, Los Angeles, CA 90024, to receive payment.

14. **TENANT IMPROVEMENT ALLOWANCE:** The maximum Tenant Improvement Allowance has been established by Paragraph 3.2, "Tenant Improvements Included in Offer." The Tenant Improvement Allowance shall be amortized over the 5 year firm term of the lease agreement at an interest rate (amortization rate) of 5% per year.

15. **BUDGET AND PRICE PROPOSALS/CONSTRUCTION SCHEDULE**

- A. If Lessor is preparing the Design Intent Drawings, then Lessor shall submit to the Government a budget proposal together with the Design Intent Drawings in accordance with SFO Paragraph 5.10 (B), "Design Intent Drawings." The budget proposal must be submitted in Construction Specification Institute (CSI) Format.
- B. The price proposal required to be provided by Lessor in SFO Paragraph 5.10 (E), "Tenant Improvements Price Proposal," must be based upon the results of a competitive proposal process meeting all of the requirements of SFO Paragraph 5.2 (B), 1 through 10, entitled, "Tenant Improvements Pricing Requirements." The Government has the right, but not the obligation, to accept cost or pricing data as described in GSA Form 3517 in lieu of a competitive price proposal.
- C. Failure to submit these budget and price proposals referenced above will constitute Lessor delay. In the event that either the budget proposal or price proposal exceeds the Tenant Improvement Allowance specified in the Lease, then the construction schedule shall be revised to afford the Government sufficient time to review and resolve the difference.
- D. The construction schedule required in Paragraph 5.10 (F), "Construction of Tenant Improvements," of the SFO shall also include adequate time for additional review by the Government of revised design intent drawings and Working Drawings/Construction Drawings. All references to "working days" in Paragraph 5.9, "Construction Schedule and Acceptance of Tenant Improvements" of the SFO shall not include the period from December 15 through January 1 of any calendar year.
- E. In addition to the submission requirements specified under Paragraph 5.10, "Construction Schedule and Acceptance of Tenant Improvements," Lessor shall provide to the Government the final total costs of the completed Tenant Improvements in CSI format 10 calendar days prior to "Substantial Completion". The space will not be considered acceptable for inspection until the Government receives the final tenant improvement costs.

Initials: PK & V. J.
Lessor Government

16. ACCEPTANCE OF SPACE:

- A. The following is added to Paragraph 5.10. (G), "Acceptance of Space and Certificate of Occupancy": Subsequent Government inspections and notification of the results of such inspections shall be made in accordance with the foregoing procedure. Time frames for subsequent inspections will be established by the Government.
- B. Any items that have been identified at the acceptance of the space as punchlist items to be completed or corrected and which do not affect beneficial occupancy shall be completed by the Lessor within fifteen (15) calendar days of acceptance.
- C. Neither the Government's acceptance of the Premises for occupancy or acceptance of related appurtenances, nor the Government's occupancy of the Premises, shall be construed as a waiver of any requirement or right of the Government under this lease, or as otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.

17. **UNAUTHORIZED IMPROVEMENTS:** All questions pertaining to this lease agreement shall be referred in writing to the General Service Administration Contracting Officer located at 300 N. Los Angeles Street, Suite 4100, Los Angeles, CA 90012. This contract is between GSA and the Westwood Terrace, LLC. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the term of the lease agreement or authorized in writing by the GSA Contracting Officer. **If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation if the improvements remain in place after the Government's acceptance of the space.**

18. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".

Initials: RL & V. J.
Lessor Government